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UNITED STATES DEPARTMENT OF AGRICULTURE

RICE MARKETING QUOTAS -- 1956

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Rice growers will decide in a national referendum, on January 27, 1956, whether or not marketing quotas will be in effect for the 1956 rice crop.

The Secretary of Agriculture has proclaimed marketing quotas for rice as required by law whenever the total supply exceeds the normal supply by more than 10 percent.

The total supply -- made up of the carryover of old rice, the 1955 crop, and a very small quantity of estimated imports -- for the marketing year which began August 1, 1955, has been determined to be 83,647,000 hundredweight. This is 49.6 percent more than the "normal" supply of 55,923,000 hundredweight, or 36 percent more than the supply level at which marketing quotas must be proclaimed.

Since the law provides that the national acreage allotment of rice for 1956 cannot be less than 85 percent of the final acreage allotment established for the previous year, the 1956 national rice acreage allotment has been established at 1,639,084 acres. Had this provision not been in effect, the 1956 national allotment for rice would have been 936,302 acres.

After marketing quotas are proclaimed, the law requires that at least two-thirds of the growers voting in a referendum must approve before the program can be put in effect.

Any person who, as landlord, tenant, or sharecropper, had an interest in a rice crop produced in 1955 is eligible to vote in the referendum. County Agricultural Stabilization and Conservation Committees will designate voting places and notify the rice growers of the size of their acreage allotments before the referendum date.

Marketing Quotas and Price Support

If rice marketing quotas for 1956 are approved by at least two-thirds of the growers voting in the referendum on January 27, 1956, price support will be available to eligible growers at a national average price of not less than \$4.04 per hundredweight, which is 75 percent of the parity price of rice as of November 15, 1955, which was \$5.38 per hundredweight.

If marketing quotas for the 1956 rice crop are disapproved in the referendum, price support to eligible growers will be available at a level of 50 percent of parity, and acreage allotments will remain in effect. In any event, compliance with rice acreage allotments will be required as a condition of eligibility for price support.

Growers who plant an acreage of rice in excess of their farm acreage allotment will have an opportunity to adjust their rice acreage into compliance before harvest.

Acreage Allotments

A national rice acreage allotment for 1956 has been established at 1,639,084 acres.

This national allotment is divided among rice-producing States on the basis of the average acreage of rice in each State during the 5 years 1951-55 inclusive, with adjustments for trends in acreage during such period. Before dividing the national allotment among States the Secretary of Agriculture may reserve not more than 1 percent of the national allotment for apportionment to growers receiving an inadequate allotment because of an insufficient State or county acreage allotment or because rice was not planted in all the 5 years 1951-55.

Farm Acreage Allotments

Controlling legislation provides two methods of determining farm acreage allotments to meet the farming practices under which rice is produced. The two methods are: (1) Producer basis -- based on the past production of rice and other information relating to the producer; and (2) farm basis -- based on the past production of rice and other information relating to the farm. The producer basis is used in some States; the farm basis in others.

Acreage Allotments Established on a Producer Basis

States in which individual allotments are established on a producer basis are: Arizona, California, Florida, Tennessee, and Texas.

The State acreage allotment, less a reserve for new producers, is divided among producers who have grown rice in the State in any one of the 5 calendar years immediately preceding the year for which allotments are determined. Factors considered in determining producer allotments are: Past production in the State; acreage allotments previously established in the State; abnormal conditions affecting acreage; land, labor, and equipment available for the production of rice; crop-rotation practices; and soil and other physical factors affecting the production of rice.

The allotment first determined for a producer is referred to as a "preliminary" allotment. When the producer makes application to the County ASC Committee to allocate his preliminary acreage allotment to a farm the allotment so allocated becomes part or all of a farm allotment. An official notice of the farm allotment is mailed to the producers. When this method of dividing the State acreage allotment is used, county acreage allotments are not established.

The State ASC Committee may reserve not more than 3 percent of the State acreage allotment for producers who did not grow rice in any one of the preceding 5 years.

Acreage Allotments Established on a Farm Basis

States in which county acreage allotments will be determined and in which individual allotments will be established on a farm basis are: Arkansas, Illinois, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, and South Carolina.

In all States where acreage allotments are to be established on a farm basis, the State acreage allotment is apportioned among counties in which rice is produced. In dividing the county acreage allotment among farms, the same factors are used as in determining allotments for producers except that past rice production on the farm and rice allotments previously established for the farm are considered in place of similar information for producers.

The State ASC Committee may reserve not more than 3 percent of the State acreage allotment for farms on which rice was not produced in any one of the preceding 5 years.

Producer's Right of Appeal and Review

Provision is made for appeal and review of rice acreage allotments when producers are dissatisfied. Producers who wish to appeal or have their allotments reviewed should consult their County Agricultural Stabilization and Conservation Office concerning the procedure to be followed. All such appeals or requests for review must be made within 15 days after the allotment notice has been mailed to the producer.

The Farm Marketing Quota

In general, the farm marketing quota is the production from the farm rice acreage allotment. If an acreage of rice in excess of the farm acreage allotment is harvested the normal production of the excess acreage is called the "farm marketing excess." The farm marketing excess, however, cannot be larger than the amount by which the total production of rice on the farm exceeds the normal production of the farm rice acreage allotment.

Any producer who harvests an acreage of rice not in excess of his farm acreage allotment may market all his rice penalty-free. Such a producer will be issued a marketing card indicating that no quota penalty is due on his rice.

Marketing Quota Penalties on the Farm Marketing Excess

The law provides for a marketing quota penalty, on each pound of the farm marketing excess, equivalent to 50 percent of the parity price of rice as of June 15 of the calendar year in which the rice is produced.

Producers with a farm marketing excess may: (1) Pay the marketing quota penalty in cash at the County ASC Office; (2) store the excess rice; or (3) deliver the excess rice to the Secretary of Agriculture as prescribed in regulations issued by him. Individual producers will be notified as to the amount of any excess acreage and the amount of the "farm marketing excess." Until the penalty on the farm marketing excess is satisfied, all rice produced on the farm is subject to penalty, and a lien on the entire crop of rice is in effect in favor of the United States Government.

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For additional information see your County Agricultural Stabilization and Conservation Office.

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